M/039/002

Redmond, Utah

January 5, 1991

MINERALS PROGRAM
FILE COPY

Mr. D. Wayne Hedberg
Dept of Natural Resources,
State of Utah

DIVISION OF OIL, GAS & MINING

JAN 09 1991

Dear Mr. Hedberg,

We received your letter of Dec. 21, 1990, with attachments on reclamation estimates. In looking it over we find that a lot of changes will need to be made in as much as your information was not adequate nor accurate and largely based on assumptions. As you stated, it is a rough draft, and a more realistic draft need to be made. We are returning to you along with this letter a copy of the reclamation estimate with some changes and proposed changes listed in the right hand margin.

We We'ish to say that the 100 acres now owned by the Redmond Clay and Salt Co. are now under lease by the Redmond Development Co. , which lease strickly prohibits the Salt company from doing anything listed in the reclomation plan. This would make the Redmond Development Co. liable for the reclomation, should the salt company ever decide to quit or leave. Now we know you are concerned as to what would happen should the Redmond Development Co. pull out. In that case the Bosshardt Farming Trust, which owns all the land surrounding the salt property would take over the land now owned by the salt company and it would become a part of the farm grazing area as it was originally before it was sold to the mining company. So we think you can see that the reclamation plans should be only for safety and post mining use. Mining portals will need to be closed and vertical walls will need to be sloped. However, the ripping, mulching, disking, fertilizing and seeding, of any pit floors or other areas cannot be required, since they were mostly without vegitation originally, and no amount of cultivation or furtilizer will ever grow grass on them again. And since post mining use will be for livestock grazing, such things as existing roads should be left undisturbed. Anything metal has salvage value, wood can be burned and buildings have post mining usefulness.

Thank you. Your consideration of the above facts and suggestions will be appreciAted.

Mils & Bossharet

Milo J. Bosshardt

RECLAMATION ESTIMATE PAGE Redmond Clay and Salt Company last REV North Mining Property Sanpete County M/039/002

Prepared by Utah State Division of Oil, Gas & Mining

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Reclamation Details - North Mine Pro	pperty				
-Areas designated as Pre-Law by the	THE RESERVE OF THE PARTY OF THE	be lef	ft as is		
-Closure of all mine portals by blasting.					
-Regrade portal closure to a 2 horizont				3)	
					20'x25'
-ASSUMED: 2 salt mine portals; portal dimensions 65 ft x 40 ft -ASSUMED: Salt Mine highwalls are 100 ft high for entire pit area					
-ASSUMED: Clay Mine highwalls are 60 ft high for entire pit area					20'
-Pit highwalls to be blasted to 1:1 slope (45 degrees) for entire perimeter					20
-Pit floors to be Ripped, Mulched, Disked, Fertilized, & Seeded(R-M-D-F-S)					
-Waste dumps & piles to be regraded t	o a 3h 1v slor	10 (18)	degrees)		Not applicavl
-All waste dumps & piles to be M-D-F-					yes
-Roads designated by the Division as h	raving a nost-	mining	ruse to be	left as is	Not applicabl
-All other roads to have berms remove					Post use
Description	Amount	u, and	\$/Unit	Cost-\$	rost use
Blasting 2 portals	3,000	CY	5.55	16,650	\$4.000
Regrading 2 portal closures	2,000	*	0.25	500	500
Blasting salt pit highwalls		LF			1,500
Rip Salt pit floor		acre	955	-774	
M-D-F-S Salt pit floor		acre	1,480	- 1,199 -	
Blasting clay pit highwalls	4,290		1.56	6,692	
Rip Clay pit floors		acre	955	-3 ,887	
M-D-F-S Clay pit floors		acre	1,480	6,024	A STATE OF THE PARTY OF THE PAR
Regrade waste dump	1.39	acre	802	1,115	1,000
M-D-F-S Waste dump	1.39	acre	1,480	2,057	
Regrade gravel pile	1.57	acre	802	-1 ,2 59	post uae
M-D-F-S Gravel pile	1.57	acre	1,480	-2,324	Post use
Rip roads & regrade berm	3.44	acre	1,055	3,629	
M-D-F-S Roads	3.44	acre	1,480	5,091	
	SUBTOTAL			- 54,239 -	\$9,000
+ 10% CO	NTINGENCY			5,424	
	SUBTOTAL			59,663	
+ 5 yr ESCALA	TION(1.84%)			5,695	
NORTH MINING PROPERTY SUBTOT	AL IN 1995-	\$		\$65,357	\$10,000

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2 of 6 PAGE RECLAMATION ESTIMATE Redmond Clay and Salt Company 12/10/90 South Mining Property Sanpete County M/039/002 Prepared by Utah State Division of Oil, Gas & Mining Reclamation Details - South Mine Property -Closure of all mine portals by blasting/backfilling for 15 feet inside -Regrade portal closure to a 2 horizontal: 1 vertical slope (26 degrees) -ASSUMED: 4 salt mine portals; portal dimensions 65 ft x 40 ft ____ -ASSUMED: Salt Mine highwalls are 100 ft high for entire pit area 60' -Pit highwalls to be blasted to 1:1 slope for entire perimeter -Pit floors to be Ripped, Mulched, Disked, Fertilized, & Seeded(R-M-D-F-S)____Not applicab -Waste dump & new earth removal area regraded to a 3h:1v slope (18 degrees) -Waste dump & new earth removal areas to be M-D-F-S -----Not applicable -Yard area (includes facilities area) to be R-M-D-S-F -ASSUMED: Metal scrap to be buried on mine site and area R-M-D-S-F----Not applicable -Roads graded & R-M-D-S-F unless a Division designated post-mining use -----Post use. \$/Unit Cost-\$ Description Amount 5.55 33,300 \$20,000 Blasting 4 portals 6,000 CY 1,000 4.000 CY 0.25 1,000 Regrading 4 portal closures 5.000 4.25 8,181 1,925 LF Blasting salt pit highwalls ==1,967 2.06 acre 955 Rip Salt pit floor 1,480 3,049 M-D-F-S Salt pit floor 2.06 acre 866 1.08 acre 802 800 Regrade Waste dump 1,480 --1,598 1.08 acre M-D-F-S Waste dump 2,000 2,013 802 2.51 acre Regrade Earth removal area 3.715 1,480 2.51 acre M-D-F-S Earth removal area --4.966 955 5.20 acre Rip Yard area -7.6961,480 5.20 acre M-D-S-F Yard area -932 Sel1 1,210 0.77 acre Bury metal scrap --735 955 0.77 acre Rip Metal Scrap area -1,140 1480 0.77 acre M-D-S-F Metal Scrap area 6.562 Post use 1,055 6.22 acre Rip roads & regrade berm -9.206 Post use 1,480 6.22 acre M-D-F-S Roads 86,926 \$28,800 SUBTOTAL 8,693 + 10% CONTINGENCY 95,618 SUBTOTAL 9,127 + 5 yr ESCALATION(1.84%) **\$104,745** \$32,000 SOUTH MINING PROPERTY SUBTOTAL-A IN 1995-\$

RECLAMATION ESTIMATE

Redmond Clay and Salt Company

South Mining Property

Sanpete County

M/039/002

Prepared by Utah State Division of Oil, Gas & Mining

Reclamation Details - South Mine Property -- CONTINUED --

-Pond area to be backfilled/regraded and ₩-D-S-F=====

-ASSUMED: All facilities to be demolished and buried on site: ne salvage value ==

-ASSUMED: The following dimensions for each facility listed below

-Shed 45'x20'x18'; Shop 70'x30'x20'; Primary Crusher 60'x30'x20';

-Secondary Crusher 60'x30'x20'; Mill 150'x80'x25'; Bulk Storage 150'x140'x25';

-Scales 75'x20'x15'; Old Compressor House 30'x30'x12': Old Pump

-House 30'x30'x12': Compressor House 30'x30'x12': Tank 25' diameter:

All metal has salvage value. All building ave salvage value or post use.

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Tiodoc do Ado ATE : Compressor Tiodoc do Ao		1062			
-ASSUMED: Crushers have reinforced concret	te; bld	gs ha	ave concrete t	floors	
<u>Description</u> <u>Am</u>	ount		\$/Unit	Cost-\$	\$350
Backfill/Regrade Pond	0.44	CY	802	353	\$350
M-D-S-F Pond area	0.44	CY	1480	-651 -	
Demolish Shed 10	6,200	CF	0.20	3,240	- Post use
Demolish Shop 4:	2,000	CF	0.20	_8,400_	-Post use
Shop Concrete Floor**BURIED ONSITE**	0	SY	11.75	0	
	6,000	CF	0.20	7,200	-Salvabe val.
Crusher Concrete ** BURIED ONSITE **	0	CY	245	0	Post use
	6,000	CF	0.20	7,200 -	-Salvage val.
Crusher Concrete ** BURIED ONSITE **	0	CY	245	. 0	posy use
Demolish Mill **POST MINING USE** 300	0,000	CF	0.20	. 0	
Demo. Mill Concrete Floor**POST USE**	1333	SY	11.75	0	
Demo. Bulk Str. ** POST MINING USE** 52	5,000	CF	0.20	0	
Demo. Bulk Storage Floor**POST USE**	2333	SY	11.75	0	
	2,500	CF	0.20	_4,500	Salvage val.
Demo. Old Pump House	0,800	CF	0.20	- 2, 160-	- \$100
	0,800	CF	0.20	2,160	200
	0,800-	CF_	0.20	2,160	
Demolish Tank	1	ea	500	500	se;;
SUBTO	JATC			38,524	\$650
+ 10% CONTINGE	NCY			3,852	
SUBTO				42,376	
+ 5 yr ESCALATION(1.				4,045	
SOUTH MINING PROPERTY SUBTOTAL-B		IN 1	995-\$	\$46,421	\$800

12/10/90 Redmond Clay and Salt Company Clay Mining Property Sanpete County M/039/002 Prepared by Utah State Division of Oil, Gas & Mining Reclamation Details - Clay Mine Property -ASSUMED: Clay Mine highwalls are 60 ft high for entire pit area -20' -Pit highwalls to be blasted to 1:1 slope for entire perimeter -Four Pits: (1) 1.17 acre P=1,040'; (2) 2.61 acre P=1,250'; - (3) 1.18 acre P=1,040'; (4) 2.44 acre P=2,080'; -Pit floors to be R-M-D-F-S-----Not applicable -ASSUMED: Clay Pads have an earthen base -Two Clay Pads: (1) 2.36 acre; (2) 11.16 acre; to be R=M=D=S=F----Not applicable -Brine Pond to be backfilled/regraded & M=D-S-F-----Not applicable -ASSUMED: Clay Mill to be demolished and debris buried on site Has salvage and postuause -ASSUMED: Clay Mill dimensions are 250'x100'x20', with a concrete floor -Roads to be R-M-D-S-F unless Division designated as post-mining use _____ post use \$/Unit Cost-\$ Description Amount **-8.440 -** \$3000 5.410 LF 1.56 Blasting clay pit highwalls ---7,067Not applicapb 955 Rip Clay pit floors 7.40 acre --10,952 Not applicabl M-D-F-S Clay pit floors 7.40 acre 1,480 955 --12,912 not applicabl Rip Clay Pads 13.52 acre 20,010 Not applicabl 1480 13.52 acre M-D-S-F Clay Pads 835 800 1210 Backfill/Regrade Brine Pond 0.69 acre -1.021 Not applicabl M-D-S-F Brine Pond 0.69 acre 1480 Demo. Clay Mill ** POST MINING USE ** 0.20 0 500,000 CF 0 Demo. Clay Mill Floor ** POST USE ** 9.20 2,777 SY 8,693 Rip roads & regrade berm 8.24 acre 1,055 Post use 1,480 12,195 POST USE 8.24 acre M-D-F-S Roads 82,124--\$3,800 SUBTOTAL + 10% CONTINGENCY 8,212 90,337 SUBTOTAL 8,623 + 5 yr ESCALATION(1.84%) \$98,959 -- \$5,000 **CLAY MINING PROPERTY SUBTOTAL** IN 1995-\$

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RECLAMATION ESTIMATE

RECLAMATION ESTIMATE

Redmond Clay and Salt Company Salt & Clay Mining Properties M/039/002 PAGE 5 of 6 12/10/90 Sanpete County

Prepared by Utah State Division of Oil, Gas & Mining

*** REFERENCES USED IN CALCULATING THIS ESTIMATE:

- -Means Site Work Cost Data 1990
- -Caterpillar Performance Handbook, Edition 18
- -Rental Rate Blue Book, 1989 & 1990 sources

Blasting [022-234-0100] <= Means Reference Number

Mulch [029-516-0350]

Disking [029-204-6050]

Seeding [029-308-1600]

Fertilizing [029-720-0130]

Building Demolition & Disposal (Burial) [020-604-0500] & [020-604-0100]

Concrete Demolition, 6" thick, mesh reinforced [020-554-1900]

Concrete Demolition, 6" thick, rod reinforced [020-554-2000]

Concrete Demolition, 7-24" thick, reinforced [020-554-2200]

- ***The following items were calculated by the Division using the
- *** Cat Handbook, Blue Book and SME Mining Engineering Handbook, 1973:

Regrading: Portal Closures, Dumps, Piles, Ponds

Ripping: Pit Floors, Roads, Pads; Blasting Pit Highwalls

Burying Scrap Metal

SUMMARY OF RECLAMATION COSTS

NORTH MINING PROPERTY SUBTOTAL	\$65,357-	\$10,000
SOUTH MINING PROPERTY SUBTOTAL-A	\$104,745	32,000
SOUTH MINING PROPERTY SUBTOTAL-B	-\$46,421-	800
CLAY MINING PROPERTY SUBTOTAL	\$98,959-	5,000

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TOTAL OF RECLAMATION ESTIMATE	\$315,483-	\$47,800

ROUNDED TOTAL OF RECLAMATION ESTIMATE IN 1995-\$ \$315,500
ROUNDED TOTAL OF RECLAMATION ESTIMATE IN 1995-\$ \$315,500